



Staff Contact: Russ Vought (x68581)

December 14, 2005

Appropriations Policy Brief

H.R. 3010 Labor, HHS, Education Appropriations Act for FY 2006 Conference Report (Reconsideration)

BY THE NUMBERS:

In Millions of Dollars

	FY05 Enacted	FY06 Request	FY06 House Bill	FY06 Senate Bill	FY06 Conf Report*
Appropriations	142,843	141,653	142,513	141,538	142,514
<i>Emergency</i>	347	0	0	8,414	0
SSI Timing Shift	0	0	0	3,360	0
Total	143,190	141,653	142,513	153,312	142,514

*A CBO score is not yet available. All conference report figures are based on information provided by the House Appropriations Committee.

Excluding Emergency Appropriations, the Conference Report is:

- \$329 million (0.2%) less than last year
- \$861 million (0.6%) more than the request
- \$1 million more than the House-passed bill
- \$976 million (0.7%) less than the Senate-passed bill

Note: Including Senate-passed “emergency” spending and the SSI timing shift (that pushed the payment and therefore the cost of SSI funding into FY07 to free up additional FY06 spending), *H.R. 3010 is \$10.8 billion (7%) less than the Senate-passed bill.*

Budget Compliance: According to CBO, the bill is within the 302(b) allocation of the Labor-HHS-Education Appropriations Subcommittee and thus complies with the Budget Act.

Note on Status:

On November 17, 2005, an earlier version of FY06 Labor-HHS appropriations conference report (H.R. 3010) failed by a vote of 209-224. This was the first conference report to be voted down on the floor since 1995, when a Defense appropriations conference report was defeated because it failed to adequately restrict military abortions. After this setback, the House Appropriations

Committee went back into conference negotiations with the Senate and modified portions of the conference report as described below (while continuing to ensure that the overall level of funding fit within the budget allocation).

Program Terminations:

According to the House Appropriations Committee, the conference reports terminates 20 programs (saving \$1.2 billion) and declines to fund 8 programs requested by the Administration (saving an additional \$1.8 billion). The House-passed version had originally terminated 57 programs. The programs terminated include:

- National Youth Sports (-\$18 million)
- Community Food and Nutrition (-\$7 million)
- CDC- Youth Media Campaign (VERB) (-\$58.8 million)
- Literacy Program for Prisoners (-\$5 million)
- Occupational and Employment Information (-\$9.3 million)

Items of Note:

Native Hawaiian Funding: Includes funding to fund various health and education programs for Native Hawaiians (other programs allow funds to flow to Native Hawaiians without specifically earmarking them for that purpose). Some conservatives may be concerned that such benefits are being dispensed as if Native Hawaiians constitute an Indian tribe. However, Native Hawaiians are a racial group – not a tribe – and dispensing benefits to them would likely be subject to “strict scrutiny” (meaning the law in question is presumptively invalid) in Federal courts. For more information on why Native Hawaiians are not a tribe and why they should not be made into a tribe, please see the following brief from the Senate Republican Policy Committee:

<http://rpc.senate.gov/files/Jun2205NatHawSD.pdf>

Center of Excellence in Native Hawaiian Law: Provides a \$1.25 million for the University of Hawaii School of Law for a Center of Excellence in “Native Hawaiian law.” Some conservatives may be concerned that this provision directs federal resources to a body of law that generally asserts that Native Hawaiians constitute an Indian tribe, deserve federal recognition as such (see above discussion), and barring such recognition ought to still be eligible for federal benefits.

Erectile Dysfunction: Removes the provision in the initial conference report that banned federal reimbursement for drugs approved to treat erectile dysfunction (ED). As a result, these drugs will still be reimbursed by Medicare.

Rural Health Spending: Adds an additional \$90 million to the initial conference report in spending for rural health programs, including \$9 million for the Office of Rural Health Research and Policy (which had been terminated), \$28.5 million more for rural health outreach grants, \$13 million more for the Training in Primary Care and Dentistry Program (which the President proposed to be terminated), and \$27 million more for Area Health Education Centers (which the President has proposed to be terminated).

New Offsets: Reduces funding to implement the Medicare Modernization Act by \$60 million and reduces funding for pandemic preparedness by \$120 million to offset the change regarding the reimbursement of ED drugs and new rural health spending.

Arlen Specter Headquarters and Emergency Operations Center: Renames the Headquarters and Emergency Operations Center Building at the CDC as the “Arlen Specter Headquarters and Emergency Operations Center.” This provision violates House Rule 21, which prohibits the naming of a public work after a sitting Member of Congress.

Thomas R. Harkin Global Communications Center: Renames the Global Communications Center Building at the CDC as the “Thomas R. Harkin Global Communications Center.” This provision violates House Rule 21, which prohibits the naming of a public work after a sitting Member of Congress.

Note: Yesterday, December 13, 2005, the House passed by voice vote, H.R. 4500, which designates the Headquarters and Emergency Operations Center building of the Centers for Disease Control and Prevention as the "Rosa Parks Headquarters and Emergency Operations Center Building" and the Global Communications Center building of the Centers for Disease Control and Prevention as the "Mother Teresa Global Communications Center Building."

Pell Grant Shortfall: Includes \$4.3 billion to fix the Pell Grant “shortfall.” The shortfall resulted from not appropriating enough funding for all eligible students, while removing the Department of Education’s authority to restrict eligibility according to what funds are available (thus giving the program mandatory characteristics). In the past, the Appropriations Committee could artificially lower the cost of the Labor-HHS appropriations bill because a certain level of spending was set to flow forth on auto-pilot irregardless of the dollar amount in the bill. The Administration proposed to retire the shortfall and to address the gimmick by ensuring that Pell Grant funding would be scored at the expected cost of the program instead of the dollar amount in the appropriations bill. Congress already enacted the scorekeeping adjustment via the budget resolution, and H.R. 3010 retires the shortfall. This \$4.3 billion was provided for in the budget resolution and does not affect the deficit because the outlays were already spent in prior years.

Corporation for Public Broadcasting (CPB): Includes \$400 million for the CPB in FY08 funding. **Note:** In recent years, CPB has been provided in advance by two fiscal years.

President’s High School Initiative: Declines to fund the Administration’s \$1.2 billion new High School Initiative to expand the No Child Left Behind Act accountability reforms to high schools.

Child Labor: Bans the procurement of goods mined, manufactured, or produced from forced child labor in industries and countries identified by the Labor Department.

Facility Renovation: Provides \$222,000 for facility renovations at the Gillis W. Long Hansen’s Disease Center (part of the **federal** Bureau of Primary Care) in Baton Rouge, Louisiana.

National Cord Blood Stem Cell Bank Program: Provides \$4 million for the National Cord Blood Stem Cell Bank Program.

Title X Family Planning: Provides \$285.9 million for Title X family planning – the same level of funding in FY05 and in the President’s budget request.

LIHEAP: Provides the Senate-passed level of \$2.2 billion for the LIHEAP (low-income home energy assistance) – \$177 million more than the House-passed version, \$183 million more than request, and roughly the equivalent amount as FY05. However, the conference report does not designate a portion of this funding as an emergency designation as the Senate bill did (\$300 million).

New Teacher Incentive Fund: Creates a new \$100 million Teacher Incentive Fund to reward teachers who increase student performance and agree to teach in high-need schools. The Administration requested \$500 million for the new program.

New Civic Education Program: Creates a new \$3 million program at the Center for Civic Education to implement a comprehensive program to improve public knowledge, understanding, and support of Congress and the state legislatures.

New Delta Health Initiative: Creates a new \$25 million program to improve rural health, education, and workforce infrastructure in the Mississippi Delta.

Recorded Educational Materials: Provides \$12 million in special education funding for Recording for the Blind and Dyslexic, Inc. to support the development, production, and circulation of recorded educational materials.

Ban on Needle Exchanges: Prohibits the use of funds for needle exchanges.

Ban on Abortion Funding: Prohibits funds for abortions, except in the case of rape, incest, or the life of the mother (Hyde Amendment).

Conscience Protection for Health Care Facilities: Prevents local entities from discriminating against health care providers who decline to fund abortions (Hyde-Weldon Amendment).

Ban on Human Embryo Research and Human Cloning: Prohibits the use of funds for destructive human embryo research and cloning (Dickey-Wicker Amendment).

Medicare Advantage Anti-Discrimination: Prevents discrimination against Medicare Advantage plans who decline to cover abortions.

Continuous Residency Amendment: Amends the Immigration and Nationality Act (as proposed by the Senate) to provide certain exceptions to the continuous residency requirement. Under current law, a person must maintain continuous residency within the U.S. from the time of application to the time of admission as a citizen. For more information, please see section 518 of the bill text.

Earmarks:

The conference report contains no congressional earmarks, meaning a provision that was either not requested by the Administration (and therefore added at the behest of a Member) or a technical change to an existing authorization.

However, the conference report does contain certain provisions that were either requested by the Administration or changed existing law to expand funding to a certain locale or group. The following such provisions are included in the bill text:

- \$1.25 million for a Center of Excellence in Native Hawaiian Law at the University of Hawaii (see discussion above)
 - \$1.25 million to the Hawaiian Department of Education for school construction and renovation activities
 - Language (Sec. 306) expanding eligibility for certain cultural and educational funding to the Mississippi Band of Choctaw Indians. The initial conference report had specified a \$2 million guaranteed allotment for the Choctaws, but this specific provision has been removed.
-